

**GOVERNMENT OF GUAM RETIREMENT FUND**

**Statement of Plan Net Assets - UnAudited**

As of September 30, 2006

|   | <u>Defined<br/>Benefit</u> | <u>Defined<br/>Contribution</u> | <u>Total</u>            |
|---|----------------------------|---------------------------------|-------------------------|
| <b><u>ASSETS</u></b>                          |                            |                                 |                         |
| Investments, at fair value:                   |                            |                                 |                         |
| Common stocks                                 | \$ 610,116,012             | -                               | 610,116,012             |
| U.S. Government securities                    | 252,119,599                | -                               | 252,119,599             |
| Corporate bonds and notes                     | 240,714,473                | -                               | 240,714,473             |
| Money market funds                            | 44,088,400                 | -                               | 44,088,400              |
| Mutual funds                                  | 113,276,376                | 141,346,301                     | 254,622,677             |
| DC plan forfeitures                           | -                          | 6,251,889                       | 6,251,889               |
| <b>Total investments</b>                      | <u>1,260,314,860</u>       | <u>147,598,190</u>              | <u>1,407,913,050</u>    |
| Receivables:                                  |                            |                                 |                         |
| Employer contributions, net                   | 16,472,393                 | 402,820                         | 16,875,213              |
| Member contributions                          | 6,672,571                  | 382,868                         | 7,055,439               |
| Interest and penalties on contributions       | 7,184,760                  | -                               | 7,184,760               |
| Accrued interest and dividends on investment  | 4,730,900                  | -                               | 4,730,900               |
| Due from brokers for unsettled trades         | 2,855,455                  | -                               | 2,855,455               |
| Note receivable from GMHA, net of allowanc    | -                          | -                               | -                       |
| Notes receivable for service credits          | 8,859,035                  | -                               | 8,859,035               |
| Notes receivable - ERIP                       | 9,126,349                  | -                               | 9,126,349               |
| Receivable - ERIP employer's share            | 6,670,283                  | -                               | 6,670,283               |
| Supplemental/COLA benefits receivable         | 87,559,394                 | -                               | 87,559,394              |
| Supplemental insurance benefits advanced      | 4,448,403                  |                                 | 4,448,403               |
| Other receivables                             | 3,454,582                  | 81,608                          | 3,536,190               |
| Due from DC plan                              | <u>419,722</u>             | <u>-</u>                        | <u>419,722</u>          |
| <b>Total receivables</b>                      | <u>158,453,847</u>         | <u>867,296</u>                  | <u>159,321,143</u>      |
| Cash and cash equivalents                     | 1,452,031                  | 3,088,531                       | 4,540,562               |
| Prepaid Expenses                              | 33,150                     |                                 | 33,150                  |
| Property and equipment                        | <u>1,171,869</u>           | <u>-</u>                        | <u>1,171,869</u>        |
| <b>Total assets</b>                           | <u>1,421,425,757</u>       | <u>151,554,017</u>              | <u>1,572,979,774</u>    |
| <b><u>LIABILITIES</u></b>                     |                            |                                 |                         |
| Deferred revenue for service credits          | 25,715,121                 | -                               | 25,715,121              |
| Accounts payable and accrued expenses         | 1,879,408                  | 1,685,560                       | 3,564,968               |
| Due to brokers for unsettled trades           | 4,357,566                  | -                               | 4,357,566               |
| Due to DB plan                                | <u>-</u>                   | <u>419,722</u>                  | <u>419,722</u>          |
| <b>Total liabilities</b>                      | <u>31,952,095</u>          | <u>2,105,282</u>                | <u>34,057,377</u>       |
| Net assets held in trust for pension benefits | <u>\$ 1,389,473,662</u>    | <u>\$ 149,448,735</u>           | <u>\$ 1,538,922,397</u> |

**GOVERNMENT OF GUAM RETIREMENT FUND**

**Statement of Changes in Plan Net Assets - UnAudited**

For the year ended September 30, 2006

|  | <u>Defined<br/>Benefit</u> | <u>Defined<br/>Contribution</u> | <u>Total</u>         |
|--|----------------------------|---------------------------------|----------------------|
| <b>Investment income</b>                                 |                            |                                 |                      |
| Net appreciation in fair value of investments            | \$ 60,833,445              | 5,394,838                       | 66,228,283           |
| Interest   | 33,858,984                 | 3,449,381                       | 37,308,365           |
| Dividends  | 12,090,214                 | -                               | 12,090,214           |
| Other investment income                                  | <u>944,150</u>             | <u>541,832</u>                  | <u>1,485,982</u>     |
|  | 107,726,793                | 9,386,051                       | 117,112,844          |
| Less investment expenses                                 | <u>3,172,766</u>           | <u>-</u>                        | <u>3,172,766</u>     |
| <b>Net investment income</b>                             | <u>104,554,027</u>         | <u>9,386,051</u>                | <u>113,940,078</u>   |
| <b>Contributions</b>                                     |                            |                                 |                      |
| Employer   | 83,770,357                 | 9,396,000                       | 93,166,357           |
| Member   | <u>19,980,350</u>          | <u>9,332,114</u>                | <u>29,312,464</u>    |
| <b>Total contributions</b>                               | <u>103,750,707</u>         | <u>18,728,114</u>               | <u>122,478,821</u>   |
| <b>TOTAL ADDITIONS</b>                                   | <u>208,304,734</u>         | <u>28,114,165</u>               | <u>236,418,899</u>   |
| <b>Benefit payments</b>                                  |                            |                                 |                      |
| Age and service annuities                                | 140,049,956                | -                               | 140,049,956          |
| Disability annuities                                     | 8,762,580                  | -                               | 8,762,580            |
| Survivor annuities                                       | <u>15,519,941</u>          | <u>-</u>                        | <u>15,519,941</u>    |
| <b>Total benefit payments</b>                            | 164,332,477                | -                               | 164,332,477          |
| Refunds to separated employees and withdrawals           | 5,893,349                  | 6,656,199                       | 12,549,548           |
| Interest on refunded contributions                       | 1,370,731                  | -                               | 1,370,731            |
| Balances transferred to DC plan                          | 626,211                    | (626,211)                       | -                    |
| Administrative and general expenses                      | <u>3,659,795</u>           | <u>1,125,504</u>                | <u>4,785,299</u>     |
| <b>TOTAL DEDUCTIONS</b>                                  | <u>175,882,563</u>         | <u>7,155,492</u>                | <u>183,038,055</u>   |
| Net increase in plan net assets                          | 32,422,171                 | 20,958,673                      | 53,380,844           |
| Net assets held in trust for pension benefits, beginning | <u>1,357,051,491</u>       | <u>128,490,062</u>              | <u>1,485,541,553</u> |
| Net assets held in trust for pension benefits, ending    | <u>\$ 1,389,473,662</u>    | <u>\$ 149,448,735</u>           | <u>1,538,922,397</u> |